



FL Ranch 29 Red Bluff Loop Birney, MT 59012

November 22, 2004

Surface Transportation Board Case Control Unit Washington, DC 20423

Attention: Kenneth Blodgett, STB Docket No. FD 30186 (Sub-No. 3)

To the Surface Transportation Board:

Thirty years ago – that is 30 years – I came here to St. Labre Indian School for a meeting about a Tongue River Railroad. At that meeting, Mike Gustafson, a coal lease and land speculator, told us that the demand for southeastern Montana coal was so great that by the year 1980 the coal trains in this area would almost be running into each other. Those were his words.

In the early 1980's, the Tongue River Railroad Company (i.e. Mike Gustafson) submitted an application to the ICC for a permit to build a railroad from Miles City to Ashland, Montana. The railroad was described by its proponents as a "common carrier" – one which would haul cattle and other products as well as coal. By means of this misrepresentation, the railroad company obtained a permit to build, which included the right to condemn personal property, in 1985. This railroad would not have been a "common carrier" then, and it would not be one now - or in the future. It is for the purpose of hauling coal only, and it is therefore not for the "common good".

In 1991, with no construction in sight, the Tongue River Railroad Company applied for another permit to extend the railroad line from Ashland to Decker, Montana. There was no reference to this railroad's being for the purpose of hauling Wyoming coal. The rationale was that it would stimulate the economy of southeastern Montana.

In 1997, Governor Marc Racicot came to our Birney School graduation. In his speech, he praised the virtues of the little country school, perhaps unaware that the projected railroad would run right behind the schoolhouse. Afterwards, we asked him why he was promoting the railroad, when it would be so detrimental to the established agricultural economy of the Tongue River valley. Twice he said that it would stimulate the economy of southeastern Montana. Twice we asked him how that could be, when the purpose of the railroad was to haul Wyoming coal. Both times he evaded the question. The third time we asked, his aide said that it was "time to go", and he left. Apparently the railroad interests were not yet ready to admit that the Tongue River railroad was all about hauling Gillette coal.

and confirming in this area on aid course be running into a horizon.

Now, in 2004, it is finally acknowledged that the railroad is for the purpose of transporting Wyoming coal. Where in this is the concept of the "common carrier", with the rights of condemnation of private property? Where is the stimulus to the economy of southeastern Montana? How can the railroad company justify the loss of jobs for railroad workers in Sheridan and Forsyth, or the severe economic impact on the farming and ranching industry of the Tongue River valley? Or the impact on the fish and game of the valley? How to answer the very pertinent objections of the Northern Cheyenne Indians? How to address the extreme fire hazard associated with such a railroad in this drought-stricken country where there are no fire protection services? How can this railroad be considered a sound investment, when no action has taken place since the STB granted a permit over 20 years ago, other than having one investor after another withdraw from this speculative venture? Above all, how to demonstrate that need for this proposed railroad when there are already several established routes for the transportation of Gillette, Wyoming coal? I would like answers to all of these questions.

The railroad was not needed 30 years ago and it is not needed today. And it would be an environmental and economic disaster for the whole Tongue River valley in Montana. The railroad should not be permitted by the STB, nor should it be built.

Sincerely yours,

Nancy W. Carrel

Nancy W. Carrel